

**31A-27a-110 Cooperation of officers, owners, and employees.**

- (1) As used in this section:
  - (a) "Cooperate" includes to:
    - (i) reply promptly in writing to an inquiry from the commissioner or receiver requesting a reply; and
    - (ii) promptly make available to the commissioner or receiver any record, account, information, or property:
      - (A) of or pertaining to the insurer; and
      - (B) in the person's possession, custody, or control.
  - (b) "Person" includes a person who exercises control directly or indirectly over activities of the insurer through:
    - (i) a holding company; or
    - (ii) other affiliate of the insurer.
- (2) The following shall cooperate with the commissioner or receiver in a proceeding under this chapter or an investigation preliminary to a proceeding under this chapter:
  - (a) a present or former officer, manager, director, trustee, owner, or employee of an insurer;
  - (b) a present or former agent of an insurer; or
  - (c) a person with authority over or in charge of any segment of the insurer's affairs.
- (3) A person may not obstruct or interfere with the commissioner or receiver in the conduct of:
  - (a) a delinquency proceeding; or
  - (b) an investigation preliminary or incidental to a delinquency proceeding.
- (4) This section may not be construed to abridge otherwise existing legal rights, including the right to resist:
  - (a) a petition for liquidation or other delinquency proceeding; or
  - (b) other orders.
- (5)
  - (a) A person described in Subsection (5)(b) is:
    - (i) guilty of a class B misdemeanor, except that the fine may exceed \$1,000 but may not exceed \$10,000; or
    - (ii) after a hearing, subject to:
      - (A) the commissioner imposing a civil penalty that may not exceed \$10,000;
      - (B) the revocation or suspension of an insurance license issued by the commissioner; or
      - (C) a combination of Subsections (5)(a)(ii)(A) and (B).
  - (b) This Subsection (5) applies to:
    - (i) a person described in Subsection (2) who fails to cooperate with the commissioner or receiver;
    - (ii) a person who obstructs or interferes with the commissioner or receiver in the conduct of a delinquency proceeding or an investigation preliminary or incidental to a delinquency proceeding; or
    - (iii) a person who violates an order validly issued under this chapter.

Enacted by Chapter 309, 2007 General Session